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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA**

TRAVIS BRANAM, derivatively on behalf  
of ORMAT TECHNOLOGIES, INC.

Plaintiff,

v.

YEHUDIT BRONICKI, JOSEPH TENNE,  
LUCIEN Y. BRONICKI, YORAM  
BRONICKI, DAN FALK, JACOB J.  
WORENKLEIN, ROGER W. GALE, and  
ROBERT F. CLARKE

Defendants,

and

ORMAT TECHNOLOGIES, INC.

Nominal Defendant.

Civil Action No.

**JURY TRIAL DEMANDED**

**VERIFIED SHAREHOLDER DERIVATIVE COMPLAINT**

1. Plaintiff Travis Branam ("Plaintiff"), by and through his undersigned attorneys,

1 hereby submits this Verified Shareholder Derivative Complaint (the "Complaint") against the  
2 defendants named herein, for the benefit of nominal defendant Ormat Technologies, Inc.  
3 ("Ormat" or the "Company") against certain members of its Board of Directors (the "Board") and  
4 executive officers seeking to remedy defendants' breaches of fiduciary duties and unjust  
5 enrichment from March 2008 to the present (the "Relevant Period").

## 6 NATURE OF THE ACTION

7  
8 2. According to its public filings, Ormat and its subsidiaries engage in the  
9 geothermal and recovered energy power business in the United States and internationally. The  
10 Company operates in two segments, Electricity and Products. The Electricity segment develops,  
11 builds, owns, and operates geothermal and recovered energy-based power plants, and sells  
12 electricity. The Products segment designs, manufactures, and sells equipment for geothermal  
13 and recovered energy-based electricity generation; and remote power units and other power  
14 generators, including fossil fuel powered turbo-generators and heavy duty direct current  
15 generators.  
16

17 3. On February 24, 2010, defendants disclosed that the Board and the Board's Audit  
18 Committee (the "Audit Committee"), upon recommendation of management, had concluded that  
19 the Company's financial statements for the year ended December 31, 2008 (the "2008 Financial  
20 Statements") contained in the Company's Annual Report on Form 10-K for the year then ended  
21 required restatement and should no longer be relied upon, and additionally, that the Company's  
22 prior related earnings and news releases and similar communications should also no longer be  
23 relied on to the extent they related to the 2008 Financial Statements.  
24

25 4. Defendants further announced that the restatement would show a change in the  
26 Company's accounting treatment for certain exploration and development costs. According to  
27  
28

1 defendants, these costs were capitalized on an area-of-interest basis using an accounting method  
2 that is analogous to the full cost method, and upon review of this accounting treatment in  
3 response to comment letters from the Staff of the SEC, defendants concluded that this accounting  
4 treatment was inappropriate in certain respects.

5  
6  
7 5. Specifically, defendants disclosed that the Company will no longer continue to  
8 capitalize these costs for any individual project after it decides to abandon further exploration  
9 and development of that project, and will instead expense those costs in the period in which any  
10 such determination is made. Defendants additionally indicated that as a result, the Company  
11 planned to revise its consolidated financial statements as of and for the three and nine month  
12 periods ended September 30, 2009.

13  
14 6. On this news, shares of Ormat declined \$1.28 per share, nearly 4%, to close on  
15 February 24, 2010, at \$31.90 per share, on heavy volume, and further declined an additional  
16 \$0.89 per share, nearly 3%, to close on February 25, 2010, at \$31.01 per share, on heavy volume,  
17 and continued to decline an additional \$2.08 per share, more than 6.5%, to close on February 26,  
18 2010, at \$28.93 per share, on heavy volume. Over the course of these three days of trading,  
19 shares of Ormat declined a total of \$4.25 per share, or 12.81%. As of March 25, 2010, the price  
20 of the Company's stock still had not recovered and closed at \$27.80 per share, which represents  
21 an aggregate decline of over 16%.

22  
23 7. Throughout the Relevant Period, defendants issued a series of false and/or  
24 misleading statements, and failed to disclose material adverse facts about the Company's  
25 business, operations, and prospects. Specifically, defendants made false and/or misleading  
26 statements and/or failed to disclose: (1) that defendants were improperly continuing to capitalize  
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1 costs for individual projects after Ormat had decided to abandon further exploration and  
2 development of individual projects instead of expensing those costs in the period in which any  
3 such determination was made; (2) that, as a result, the Company's financial results were  
4 overstated during the Relevant Period; (3) that the Company's financial results were not prepared  
5 in accordance with Generally Accepted Accounting Principles ("GAAP"); (4) that the Company  
6 lacked adequate internal and financial controls; and (5) that, as a result of the above, the  
7 Company's financial statements were materially false and misleading at all relevant times.

8  
9 8. As a result of Defendants' wrongful acts and omissions, the Company has been  
10 damaged.

#### 11 JURISDICTION AND VENUE

12 9. This Court has jurisdiction over all claims asserted herein pursuant to 28 U.S.C.  
13 §1332(a)(2), because complete diversity exists between the plaintiff and each defendant, and the  
14 amount in controversy exceeds \$75,000. This action is not a collusive action designed to confer  
15 jurisdiction on a court of the United States that it would not otherwise have.

16  
17 10. This Court has jurisdiction over each defendant named herein because each  
18 defendant is either a corporation that conducts business in and maintains operations in this  
19 District, or is an individual who has sufficient minimum contacts with this District so as to  
20 render the exercise of jurisdiction by the District courts permissible under traditional notions of  
21 fair play and substantial justice.

22  
23 11. Venue is proper in this Court pursuant to 28 U.S.C. §1391(a) because: (i) Ormat  
24 maintains its principal place of business in the District; (ii) one or more of the defendants either  
25 resides in or maintains executive offices in this District; (iii) a substantial portion of the  
26 transactions and wrongs complained of herein, including the defendants' primary participation in  
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1 the wrongful acts detailed herein, and aiding and abetting and conspiracy in violation of  
2 fiduciary duties owed to Ormat occurred in this District; and (iv) defendants have received  
3 substantial compensation in this District by doing business here and engaging in numerous  
4 activities that had an effect in this District.

### 5 6 7 THE PARTIES

8 12. Plaintiff is a current shareholder of Ormat and has continuously held Ormat stock  
9 since November 16, 2004. Plaintiff is a citizen of Virginia.

10 13. Nominal defendant Ormat is a Delaware corporation headquartered in Reno,  
11 Nevada. According to its public filings, Ormat and its subsidiaries engage in the geothermal and  
12 recovered energy power business in the United States and internationally.

13 14. Defendant Yehudit "Dita" Bronicki ("Dita Bronicki") has served as President and  
14 Chief Executive Officer ("CEO") of the Company since July 2004. In addition, Dita Bronicki  
15 has served as a director of the Company since 2004. Upon information and belief, defendant  
16 Dita Bronicki is a citizen of Nevada.

17 15. Defendant Joseph Tenne ("Tenne") has served as the Company's Chief Financial  
18 Officer ("CFO") since 2005. Upon information and belief, defendant Tenne is a citizen of  
19 Nevada.

20 21 16. Defendant Lucien Y. Bronicki ("L. Bronicki") has served as Chairman of the  
22 Board since 1994. Defendant L. Bronicki has also served as the Company's Chief Technology  
23 Officer ("CTO") since 2004. In addition, L. Bronicki is married to Dita Bronicki. Upon  
24 information and belief, defendant L. Bronicki is a citizen of Nevada.

25 26 17. Defendant Yoram Bronicki ("Y. Bronicki") has served as Chief Operating Officer  
27  
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1 (“COO”) of the Company since 2004. In addition, defendant Y. Bronicki has served as a  
2 director of the Company since 2004. Y Bronicki is the son of Dita Bronicki and L. Bronicki.  
3 Upon information and belief, defendant Y. Bronicki is a citizen of Nevada.

4 18. Defendant Dan Falk (“Falk”) has served as a director of the Company since 2004.  
5 In addition, defendant Falk has served as a member of the Audit Committee during the Relevant  
6 Period. Upon information and belief, defendant Falk is a citizen of the State of Israel.

7 19. Defendant Jacob J. Worenklein (“Worenklein”) has served as a director of the  
8 Company since 2004. In addition, defendant Worenklein has served as a member of the Audit  
9 Committee during the Relevant Period. Upon information and belief, defendant Worenklein is a  
10 citizen of New York.

11 20. Defendant Roger W. Gale (“Gale”) has served as a director of the Company since  
12 2005. In addition, defendant Gale has served as a member of the Audit Committee during the  
13 Relevant Period. Upon information and belief, defendant Gale is a citizen of the District of  
14 Columbia.

15 21. Defendant Robert F. Clarke (“Clarke”) has served as a director of the Company  
16 since 2007. Upon information and belief, defendant Clarke is a citizen of Hawaii.

17 22. Collectively, defendants Dita Bronicki, Tenne, L. Bronicki, Y. Bronicki, Falk,  
18 Worenklein, Gale, and Clarke shall be referred to herein as “Defendants.”

19 23. Collectively, defendants Falk, Gale, and Worenklein shall be referred to as the  
20 “Audit Committee Defendants.”

#### 21 **DEFENDANTS’ DUTIES**

22 24. By reason of their positions as officers, directors, and/or fiduciaries of Ormat and  
23 because of their ability to control the business and corporate affairs of Ormat, Defendants owed  
24

1 Ormat and its shareholders fiduciary obligations of good faith, loyalty, and candor, and were and  
2 are required to use their utmost ability to control and manage Ormat in a fair, just, honest, and  
3 equitable manner. Defendants were and are required to act in furtherance of the best interests of  
4 Ormat and its shareholders so as to benefit all shareholders equally and not in furtherance of their  
5 personal interest or benefit. Each director and officer of the Company owes to Ormat and its  
6 shareholders the fiduciary duty to exercise good faith and diligence in the administration of the  
7 affairs of the Company and in the use and preservation of its property and assets, and the highest  
8 obligations of fair dealing.

10 25. Defendants, because of their positions of control and authority as directors and/or  
11 officers of Ormat, were able to and did, directly and/or indirectly, exercise control over the  
12 wrongful acts complained of herein. Because of their advisory, executive, managerial, and  
13 directorial positions with Ormat, each of the Defendants had knowledge of material non-public  
14 information regarding the Company.

16 26. To discharge their duties, the officers and directors of Ormat were required to  
17 exercise reasonable and prudent supervision over the management, policies, practices and  
18 controls of the Company. By virtue of such duties, the officers and directors of Ormat were  
19 required to, among other things:

- 21 a. Exercise good faith to ensure that the affairs of the Company were conducted  
22 in an efficient, business-like manner so as to make it possible to provide the  
23 highest quality performance of their business;
- 24 b. Exercise good faith to ensure that the Company was operated in a diligent,  
25 honest and prudent manner and complied with all applicable federal and state  
26 laws, rules, regulations and requirements, and all contractual obligations,  
27 including acting only within the scope of its legal authority; and
- 28 c. When put on notice of problems with the Company's business practices  
and operations, exercise good faith in taking appropriate action to correct  
the misconduct and prevent its recurrence.



27. Pursuant to the Audit Committee's Charter, the members of the Audit Committee required, *inter alia*, to:

- a. Review major issues regarding accounting principles and financial statement presentations, including any significant changes in the corporation's selection or application of accounting principles, and major issues as to the adequacy of the Corporation's internal controls;
- b. Discuss policies and procedures concerning earnings press releases;
- c. Review and discuss the quarterly financial statements;
- d. Oversee the balance, transparency and integrity of the Company's published statements;
- e. Oversee the Company's compliance with legal and regulatory requirements with respect to accounting policies, internal controls and financial reporting; and
- f. Oversee the effectiveness of the Company's policies with respect to risk assessment and risk management.

## SUBSTANTIVE ALLEGATIONS

## Background of the Company

28. Ormat and its subsidiaries engage in the geothermal and recovered energy power business in the United States and internationally. The Company operates in two segments, Electricity and Products. The Electricity segment develops, builds, owns, and operates geothermal and recovered energy-based power plants, and sells electricity. The Products segment designs, manufactures, and sells equipment for geothermal and recovered energy-based electricity generation; and remote power units and other power generators, including fossil fuel powered turbo-generators and heavy duty direct current generators.

### **Defendants' False and Misleading Statements During the Relevant Period**

29. On March 5, 2008, Defendants caused Ormat to file its Annual Report with the SEC on Form 10-K for the 2007 fiscal year. The Company's Form 10-K was signed by



1 defendant Bronicki. Therein, Defendants, in relevant part, stated:

2 We capitalize costs incurred in connection with the exploration and development  
3 of geothermal resources on an "area-of-interest" basis. All such costs, which  
4 include dry hole costs and the cost of drilling and equipping production wells and  
5 other directly attributable costs, are capitalized and amortized over their estimated  
6 useful lives when production commences. Although we do not commence  
7 exploration activities until feasibility studies have determined that the project is  
8 capable of commercial production, it is possible that economically recoverable  
9 reserves will not be found in an "area of interest" and exploration activities will be  
10 abandoned. In this case, capitalized exploration costs would be expensed. To date,  
11 we have not abandoned any exploration projects.

12 30. On May 6, 2008, Defendants caused Ormat to issue a press release entitled,  
13 "Ormat Technologies, Inc. Reports First Quarter 2008 Results Q1 total revenue increased 12.4%  
14 to \$69.4 million Q1 net income of \$10.1 million." Therein, Defendants, in relevant part, stated:

15 RENO, Nevada, May 6, 2008 - Ormat Technologies, Inc. (NYSE: ORA) today  
16 announced financial results for the first quarter of 2008. Total revenues for the  
17 first quarter were \$69.4 million, versus \$61.7 million for the first quarter of 2007,  
18 an increase of 12.4%, consisting of an increase of 36.3% in revenues from the  
19 Company's Electricity Segment, offset in part by a reduction in revenues from the  
20 Products Segment.

21 The Company reported net income of \$10.1 million, or \$0.24 per share of  
22 common stock (basic and diluted), as compared to a net loss of \$5.8 million, or  
23 \$0.15 per share of common stock (basic and diluted), for the first quarter of 2007.  
24 The increase in net income is due primarily to an increase in generating capacity  
25 and energy generation, as well as an increase in energy rates in the United States,  
26 which offset a decline in the Products Segment. In addition, the Company reduced  
27 cost of revenues by 16.0% on a year over year basis."

28 Commenting on the quarter's results, Dita Bronicki, Chief Executive Officer of  
Ormat, stated: "The first quarter performance was in line with our expectations for  
2008 and highlighted our improved operating performance, increase in our overall  
generating capacity and improvement in power prices in certain projects."

"Since the beginning of the first quarter, we declared commercial operation for  
the Galena 3 and Heber South projects and continued to make progress on our  
exploration work to secure geothermal resources for 2010 and beyond. Also  
during the quarter, we strengthened our products backlog signing three EPC  
agreements for a total amount of over \$100 million, consisting of one geothermal  
and two recovered energy generation power plants, out of which approximately  
\$50 million are still subject to a Notice to Proceed. We expect to add an additional  
174 MW by the end of 2009 from projects that are currently under construction,  
including Olkaria and Brawley", Ms. Bronicki continued.

Electricity revenues for the quarter ended March 31, 2008 were \$59.5 million, an  
increase of 36.3% from \$43.7 million in the first quarter of 2007, and an increase  
of 7.2% from \$55.5 million in the fourth quarter of 2007. This increase is

1 primarily attributable to the increase in energy generation in the United States to  
2 572,488 MWh for the three month period, from 437,126 MWh in the comparable  
3 period last year. Such increased generation resulted from additional power plants  
4 placed in service, enhanced performance of our existing power plants, as well as  
5 revenue from the Amatitlan project in Guatemala which came online in March of  
6 2007. Also adding to the revenue increase was an increase in the energy rates in  
7 the Puna project (due to higher oil prices) and in our Standard Offer #4 power  
8 purchase agreements with Southern California Edison.

9 Products Segment revenues for the quarter were \$9.9 million, compared to \$18.1  
10 million in the first quarter of 2007, a decrease of 45.4%. The gross margin of the  
11 Products Segment was increased from 12% to 18%. The decrease in product  
12 revenue is principally attributable to last year's lower products backlog, and the  
13 timing of revenue recognition in accordance with the percentage of completion  
14 method for each of our geothermal and recovered energy generation products. Our  
15 manufacturing and construction activities were not reduced, as we increased the  
16 amount of our manufacturing and construction activities for our own projects.

17 Adjusted EBITDA for the first quarter of 2008 was \$27.5 million, as compared to  
18 \$13.4 million in the same quarter last year, an increase of 50.9%. Adjusted  
19 EBITDA includes operating income and depreciation and amortization totaling  
20 \$1.5 million and \$4.1 million for the quarters ended March 31, 2008 and 2007,  
21 respectively, related to the Company's unconsolidated investment interest of 50%  
22 in the Mammoth Project in California and in the first quarter of 2007, 80% in the  
23 Leyte Project in the Philippines. The reconciliation of GAAP net income or loss  
24 to Adjusted EBITDA is set forth below in this release.

25 Cash, cash equivalents and marketable securities as of March 31, 2008 decreased  
26 to \$30.7 million from \$60.7 million as of December 31, 2007. In addition, in  
27 April 2008 we received \$64 million from the second closing of a tax monetization  
28 transaction and have bank lines of credits aggregating \$160 million as of today.

On May 6, 2008, Ormat's Board of Directors approved the payment of a quarterly  
cash dividend of \$0.05 per share pursuant to the Company's dividend policy,  
which targets an annual payout ratio of at least 20% of the Company's net income,  
subject to Board approval. The dividend will be paid on May 27, 2008 to  
shareholders of record as of the close of business on May 20, 2008. The Company  
expects to pay a dividend of \$0.05 per share in the next two quarters as well.

Commenting on the outlook for 2008, Ms. Bronicki said, "Following our first  
quarter earnings results, we maintain our guidance for 2008 and expect our 2008  
Electricity Segment revenues to be approximately \$245 million. We also expect  
an additional approximately \$9 million of revenues from our share of electricity  
revenues generated by Mammoth that is accounted for under the equity method.  
With regard to our Products Segment, we maintain our guidance for 2008  
revenues and expect them to be between \$70 million and \$80 million".

Ms. Bronicki concluded, "We are excited with the progress we have made this  
quarter, especially in recovered energy generation, which has experienced  
increasing interest as the need for energy efficiency begins to play a greater role  
in combating global warming".

31. On May 7, 2008, Defendants caused Ormat to file its Quarterly Report with the

1 SEC on Form 10-Q for the 2008 fiscal first quarter. The Company's Form 10-Q was signed by  
2 defendant Tenne and reaffirmed the Company's financial results previously announced on May  
3 6, 2008. The Company's Form 10-Q also contained Sarbanes-Oxley required certifications  
4 ("SOX Certifications"), signed by defendants Dita Bronicki and Tenne, who certified:

5 1. I have reviewed this quarterly report on Form 10-Q of Ormat Technologies,  
6 Inc.;

7 2. Based on my knowledge, this report does not contain any untrue statement of a  
8 material fact or omit to state a material fact necessary to make the statements  
9 made, in light of the circumstances under which such statements were made, not  
10 misleading with respect to the period covered by this report;

11 3. Based on my knowledge, the financial statements, and other financial  
12 information included in this report, fairly present in all material respects the  
13 financial condition, results of operations and cash flows of the registrant as of,  
14 and for, the periods presented in this report;

15 4. The registrant's other certifying officer and I are responsible for establishing  
16 and maintaining disclosure controls and procedures (as defined in Exchange Act  
17 Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as  
18 defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and  
19 have:

20 (a) Designed such disclosure controls and procedures, or caused such  
21 disclosure controls and procedures to be designed under our supervision,  
22 to ensure that material information relating to the registrant, including its  
23 consolidated subsidiaries, is made known to us by others within those  
24 entities, particularly during the period in which this report is being  
25 prepared;

26 (b) Designed such internal control over financial reporting, or caused such  
27 internal control over financial reporting to be designed under his/her  
28 supervision, to provide reasonable assurance regarding the reliability of  
financial reporting and the preparation of financial statements for external  
purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and  
procedures and presented in this report our conclusions about the  
effectiveness of the disclosure controls and procedures, as of the end of  
the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control  
over financial reporting that occurred during the registrant's most recent  
fiscal quarter that has materially affected, or is reasonably likely to  
materially affect, the registrant's internal control over financial reporting;  
and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent function):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

32. On August 5, 2008, Defendants caused Ormat to issue a press release entitled, "Ormat Technologies, Inc. Reports Second Quarter 2008 Results Q2 net income increased 42.3% to \$12.2 million; Products Backlog Increased \$144 million to \$186 million." Therein, Defendants, in relevant part, stated:

RENO, Nevada, August 5, 2008 - Ormat Technologies, Inc. (NYSE: ORA) today announced financial results for the second quarter of 2008.

#### **Second Quarter Results**

Electricity revenues for the second quarter increased by 11.6% to \$61.8 million and product revenues decreased by 35.7% to \$18.4 million. Total revenues for the second quarter were \$80.2 million compared to \$84.1 million for the second quarter of 2007, a decrease of 4.6%.

For the second quarter, the Company reported net income of \$12.2 million, or \$0.28 per share of common stock (basic and diluted), as compared to net income of \$8.5 million, or \$0.22 per share of common stock (basic and diluted), for the second quarter of 2007.

Commenting on the quarter's results, Dita Bronicki, Chief Executive Officer of Ormat, stated: "We remain on track with projects scheduled to come online over the next two years with expected contribution of 101 MW by year's end and 73 MW in 2009."

"Generating capacity for both the quarter and six-months increased even as scheduled maintenance reduced production at several projects. We also built a solid product backlog that added \$176 million of new orders since the beginning of the year, out of which \$66 million are still subject to a Notice to Proceed. These orders were geographically diverse with projects from New Zealand, Turkey and the United States."

"The results confirm confidence in our growth goals. We secured additional leases and raised approximately \$246 million in capital by completing two stock placements and the second leg of our tax monetization transaction. The funding



1 received from these activities provides us with ample capital as we continue to  
2 advance our growth strategy," Ms. Bronicki continued.

3 Electricity revenues for the three-month period ended June 30, 2008 were \$61.8  
4 million compared to \$55.4 million in the year ago period, an increase of 11.6%.  
5 The increase in electricity revenues is primarily attributable to a net increase in  
6 domestic generating capacity of 3.6% to 539,966 MWh for the second quarter of  
7 2008, as well as increased rates from the Puna Project due to higher oil prices. In  
8 addition, revenue increased from energy generated from the Amatitlan Project in  
9 Guatemala and the Momotombo project in Nicaragua.

10 Revenues from the Products Segment totaled \$15.4 million for the quarter,  
11 compared to \$25.7 million in 2007, a decrease of 35.7%. While revenues in the  
12 segment decreased, manufacturing and construction activities were not reduced,  
13 as manufacturing and construction activities for the Company's internal projects  
14 increased.

15 Adjusted EBITDA for the second quarter of 2008 was \$29.2 million, as compared  
16 to \$30.6 million in the same quarter last year. Adjusted EBITDA includes  
17 consolidated EBITDA and the Company's share in the operating income and  
18 depreciation and amortization totaling \$1.3 million and \$4.0 million for the  
19 quarters ended June 30, 2008 and 2007, respectively, related to the Company's  
20 unconsolidated investments. The reconciliation of GAAP net income to Adjusted  
21 EBITDA is set forth below in this release.

22 Cash, cash equivalents and marketable securities as of June 30, 2008 increased to  
23 \$137.5 million from \$60.7 million as of December 31, 2007. In addition, we have  
24 unused bank lines of credits aggregating \$160 million.

25 On August 5, 2008, Ormat's Board of Directors approved the payment of a  
26 quarterly cash dividend of \$0.05 per share pursuant to the Company's dividend  
27 policy, which targets an annual payout ratio of at least 20% of the Company's net  
28 income, subject to Board approval. The dividend will be paid on August 29, 2008  
to shareholders of record as of the close of business on August 19, 2008. The  
Company expects to pay a dividend of \$0.05 per share in the next quarter as well.

19 Commenting on the outlook for 2008, Ms. Bronicki said, "Following our second  
20 quarter earnings results, we expect our 2008 Electricity Segment revenues to be  
21 approximately \$250 million. We also expect additional revenues of approximately  
22 \$9 million from our share of electricity revenues generated by Mammoth that is  
23 accounted for under the equity method. With regard to our Products Segment, we  
24 maintain our guidance for 2008 revenues and expect them to be between \$70  
25 million and \$80 million".

26 Ms. Bronicki concluded, "The first half of 2008 yielded both top and bottom line  
27 growth that we expect will continue in the years to come, Ormat is well  
28 positioned to contribute to the mitigation of harmful effects of greenhouse gasses.  
We are pleased at the way in which both of our business segments are prepared  
for future growth, and look forward to the coming quarters."

### 26 Six Month Results

27 For the six month-period ended June 30, 2008, total revenues were \$149.6  
28 million, an increase of 2.6% from \$145.8 million in the same period last year. Net

1 income for the period was \$22.2 million, or \$0.52 per share, compared to \$2.7  
2 million, or \$0.07 per share, in the first half of 2007.

3 Electricity Segment revenues for the six-month period were \$121.3 million, an  
4 increase of 22.5% from \$99.0 million in the same period a year ago. Products  
5 segment revenues for the first half of 2008 were \$28.3 million, a decrease of  
6 39.5% from \$46.8 million in the same period in 2007.

7 Adjusted EBITDA for the six-month period was \$56.7 million, compared to \$44.0  
8 million in the same period a year ago. Adjusted EBITDA includes consolidated  
9 EBITDA and the Company's share in the operating income and depreciation and  
10 amortization totaling \$2.8 million and \$8.2 million for the six months ended June  
11 30, 2008 and 2007, respectively, related to the Company's unconsolidated  
12 investments.

13 The reconciliation of GAAP net income to Adjusted EBITDA is set forth below  
14 in the release.

15 33. On August 6, 2008, Defendants caused Ormat to file its Quarterly Report with the  
16 SEC on Form 10-Q for the 2008 fiscal second quarter. The Company's Form 10-Q was signed  
17 by defendant Tenne and reaffirmed the Company's financial results previously announced on  
18 August 5, 2008. The Company's Form 10-Q also contained SOX Certifications, signed by  
19 defendants Dita Bronicki and Tenne, substantially similar to the certifications contained above.

20 34. On November 5, 2008, Defendants caused Ormat to issue a press release entitled,  
21 "Ormat Technologies, Inc. Reports Third Quarter 2008 Results Q3 Revenues Increased 25.5% to  
22 \$99.7 million; Q3 Products Segment Revenues of \$30.9 million." Therein, Defendants, in  
23 relevant part, stated:

24 RENO, Nevada, November 5, 2008 -Ormat Technologies, Inc. (NYSE: ORA)  
25 today announced financial results for the third quarter of 2008.

### 26 **Third Quarter Results**

27 For the three month period ended September 30, 2008, total revenues were \$99.7  
28 million, an increase of 25.5% from \$79.5 million in the third quarter of 2007,  
consisting of a 12.1% increase in revenues from the Electricity Segment and a  
71.0% increase in the Products Segment.

For the quarter, the Company reported net income of \$15.9 million, or \$0.35 per  
share of common stock (basic and diluted), as compared to net income of \$15.8  
million, or \$0.41 per share of common stock (basic and diluted), for the same  
period a year ago. There were 45.5 million weighted average shares used in the

1 computation of diluted earnings per share in the third quarter of 2008 and 38.3  
2 million weighted average shares for the same quarter in 2007. Despite the  
3 significant increase in revenues, net income remained at a level similar to last  
4 year's primarily due to two factors: the weakening of the US dollar impacting  
5 activity outside the U.S. and non-recurring consulting and legal expenses related  
6 to an acquisition which did not materialize.

7 Commenting on the quarter's results, Dita Bronicki, Chief Executive Officer of  
8 Ormat, stated: "The increase in total revenue of 25.5% for the quarter reflects the  
9 continued growth of our company. Revenue from the Products Segment in the  
10 third quarter increased 71% in line with our expectation for the year. We also  
11 continued to increase our energy generation and moved closer to commercial  
12 operation of Phase II of the Olkaria III and North Brawley power plants. We  
13 expect to end the year with approximately 500 MW in our operating portfolio, an  
14 increase of approximately 100 MW for the year. For 2009 we expect an additional  
15 increase of approximately 70 MW, for which we have committed financing in  
16 place."

17 "The predictable cash flow from our fully contracted capacity, together with  
18 existing committed credit lines, allows us to continue executing on our growth  
19 plans despite the turbulent times within the global economic system."

20 Electricity revenues for the third quarter of 2008 were \$68.8 million, an increase  
21 of 12.1% as compared to \$61.4 million in the third quarter of 2007. The increase  
22 in electricity revenues is primarily attributable to a net increase in domestic  
23 generating capacity to 508,141 MWh for the quarter, up from 501,389 MWh in  
24 the same period of 2007. The increase in revenues is a result of new plants placed  
25 into service, but was partially offset by a generator failure in the Ormesa complex,  
26 the expected expiration of an "adder" paid under the Heber 2 power purchase  
27 agreement, and the shutdown of Steamboat 2/3 due to the replacement of its  
28 turbines with new turbines manufactured by us. Increased energy rates at the Puna  
project due to higher oil prices and increased generation in the Amatitlan and  
Momotombo projects also helped boost electricity revenues.

Revenues from the Products Segment for the three-month period ended  
September 30, 2008 were \$30.9 million, compared to \$18.1 million in the same  
period in 2007, an increase of 71.0%. The increase in product revenues was  
primarily attributable to the timing of the receipt of purchase orders, and the  
timing of revenue recognition.

Adjusted EBITDA for the third quarter of 2008 was \$36.6 million, as compared to  
\$38.0 million in the same quarter last year. Adjusted EBITDA includes operating  
income and depreciation and amortization totaling \$1.3 million and \$4.5 million  
for the quarters ended September 30, 2008 and 2007, respectively, related to the  
Company's unconsolidated investments. The reconciliation of GAAP net income  
to Adjusted EBITDA is set forth below in this release.

Cash, cash equivalents and marketable securities as of September 30, 2008  
decreased to \$38.1 million from \$60.7 million as of December 31, 2007. In  
addition, we have committed bank lines of credits aggregating \$310 million as of  
today.



1 On November 5, 2008, Ormat's Board of Directors approved the payment of a  
2 quarterly cash dividend of \$0.05 per share pursuant to the Company's dividend  
3 policy, which targets an annual payout ratio of at least 20% of the Company's net  
income, subject to Board approval. The dividend will be paid on December 1,  
2008 to shareholders of record as of the close of business on November 19, 2008.

4 Commenting on the outlook for 2008, Ms. Bronicki said, "With regard to our  
5 Electricity Segment, following our third quarter earnings results, we maintain our  
6 guidance for 2008 and expect electricity segment revenues for 2008 to be  
7 approximately \$250 million. We also expect additional revenues of approximately  
8 \$9 million from our share of electricity revenues generated by the Mammoth  
plant, the investment in which is accounted for under the equity method. Given  
our Products Segment results for the third quarter, we now anticipate revenues in  
this segment of between \$75 and \$80 million for the year being at the high end of  
previous guidance."

### 9 **Nine-Month Results**

10 For the nine-month period ended September 30, 2008, total revenues were \$249.3  
11 million, an increase of 10.7% from \$225.3 million in the same period last year.  
12 Net income for the period was \$38.1 million, or \$0.87 per share, compared to  
13 \$18.5 million, or \$0.48 per share, in the same period in 2007. There were 43.9  
million weighted average shares used in the computation of diluted earnings per  
share in the first nine months of 2008 and 38.2 million weighted average shares in  
the same period in 2007.

14 Electricity Segment revenues for the nine-month period ended September 30,  
15 2008 were \$190.1 million, an increase of 18.5% from \$160.4 million in the same  
period a year ago. Products Segment revenues for the period were \$59.2 million, a  
decrease of 8.7% from \$64.8 million in the same period in 2007.

16 Adjusted EBITDA for the nine month period ended September 30, 2008 was  
17 \$93.3 million dollars, as compared to \$82.0 million in the same period a year ago.  
18 Adjusted EBITDA includes consolidated EBITDA and the Company's share in  
19 the operating income and depreciation and amortization totaling \$4.1 million and  
20 \$12.6 million for the nine months ended September 30, 2008 and 2007,  
respectively, related to the Company's unconsolidated investments. The  
reconciliation of GAAP net income to Adjusted EBITDA is set forth below in the  
release.

21 35. On November 6, 2008, Defendants caused Ormat to file its Quarterly Report with  
22 the SEC on Form 10-Q for the 2008 fiscal third quarter. The Company's Form 10-Q was signed  
23 by defendant Tenne and reaffirmed the Company's financial results previously announced on  
24 November 5, 2008. The Company's Form 10-Q also contained SOX Certifications, signed by  
25 defendants Bronicki and Tenne, substantially similar to the certifications contained above.

26  
27 36. On February 24, 2009, Defendants caused Ormat to issue a press release entitled,  
28

1 "ORMAT TECHNOLOGIES REPORTS RECORD FOURTH QUARTER 2008 AND YEAR-  
2 END RESULTS." Therein, Defendants, in relevant part, stated:

3 RENO, Nevada, February 24, 2009 - Ormat Technologies, Inc. (NYSE: ORA)  
4 today announced results for the fourth quarter and full year ended December 31,  
5 2008:

6 Highlights of the company's performance include:

- 7 • Revenues increased 35.2% for the quarter to \$95.5 million and 16.5% for  
8 the year to \$344.8 million.
- 9 • Net income increased 31.3% to \$11.7 million in the quarter and 82.0% to  
10 \$49.8 million for the year.
- 11 • Earnings per share increased 18.2% to \$0.26 in the quarter and 60% to  
12 \$1.12 for the year.
- 13 • Product backlog reached a record high of \$194.0 million.
- 14 • Ormat-owned generating capacity increased by 109 MW, an increase of  
15 over 25% during 2008.

16 Commenting on the results, Dita Bronicki, Chief Executive Officer of Ormat,  
17 stated: "It was a good year and quarter for Ormat, as reflected in our financial  
18 results. The fundamental business of the Company is in excellent condition and  
19 the benefits of the new Stimulus Act will further improve our future results. We  
20 substantially grew and improved the profitability of our Electricity and Products  
21 Segments, significantly increased the generating capacity in our Electricity  
22 Segment and ended the year with a record backlog in the Products Segment."

23 In our Electricity Segment, we have substantially completed the construction of  
24 several projects that have increased our generating portfolio by 109 MW to 505  
25 MW.

26 This organic growth includes:

- 27 • phase II of the Olkaria III project in Kenya, which was completed during  
28 the fourth quarter of 2008 and is now in commercial operation;
- the 50 MW North Brawley project, which reached the start up phase and  
will ramp up gradually with full capacity expected in the second quarter of  
2009;
- 18 MW in 2 different geothermal projects; and
- 5.5 MW in the first of four OREG2 recovered energy generation (REG)  
projects.

Ms. Bronicki continued, "Looking ahead to 2009, in our Electricity Segment we  
expect to add approximately 34 MW to our generating portfolio. We had hoped to  
complete the 30 MW East Brawley project in 2009, but this project has been  
pushed back to 2010 due to permitting delays".

"In support of future growth we have added 150,000 acres of new leases to our  
development inventory during 2008, a large acreage for future exploration

1 activity. We have in place the capital resources to fund our CapEx requirement of  
2 about \$250 million for our present growth plans in 2009", Ms. Bronicki  
concluded.

3 Electricity revenues for the fourth quarter of 2008 were \$62.1 million, an increase  
4 of 11.8%, compared to \$55.5 million in the fourth quarter of 2007. The increase in  
5 electricity revenues is primarily attributable to a net increase in domestic  
6 electricity generation to 645,826 MWh for the quarter, up from 533,110 MWh in  
the same period of 2007 as a result of new plants coming on line and enhanced  
performance of existing plants. In addition, increased energy rates at the Puna  
project due to higher oil prices also helped boost electricity revenues. Current  
lower oil prices will reduce our revenues from the Puna project in 2009.

7 Revenues from the Products Segment for the three-month period ended December  
8 31, 2008 were \$33.4 million, compared to \$15.1 million in the same period in  
9 2007, an increase of 120.9%. Most of the increase in revenues was derived from  
two large geothermal projects, the Blue Mountain project in Nevada and the  
Centennial Binary Plant in New Zealand.

10 Adjusted EBITDA for the fourth quarter of 2008 was \$31.5 million, compared to  
11 \$25.2 million in the same quarter last year. Adjusted EBITDA includes operating  
12 income and depreciation and amortization totaling \$1.3 million and \$2.0 million  
for the quarters ended December 31, 2008 and 2007, respectively, related to the  
13 Company's unconsolidated investments. The reconciliation of GAAP net income  
to Adjusted EBITDA is set forth below in this release.

14 Cash, cash equivalents and marketable securities as of December 31, 2008  
15 decreased to \$34.4 million from \$60.7 million as of December 31, 2007. In  
addition, we have unutilized committed bank lines of credits aggregating \$222.5  
million.

16 On February 24, 2009, Ormat's Board of Directors approved the payment of a  
17 quarterly cash dividend of \$0.07 per share pursuant to the Company's dividend  
18 policy, which targets an annual payout ratio of at least 20% of the Company's net  
19 income, subject to Board approval. The dividend will be paid on March 26, 2009,  
to shareholders of record as of the close of business on March 16, 2009. The  
Company expects to pay a dividend of \$0.06 per share in the next three quarters,  
compared to \$0.05 per quarter in 2008.

## 20 Annual Results

21 For the year ended December 31, 2008, total revenues were \$344.8 million, an  
22 increase of 16.5% from \$296.0 million for the year ended December 31, 2007.  
23 Net income for the year ended December 31, 2008 was \$49.8 million, or \$1.12  
per share (diluted), compared to \$27.4 million, or \$0.70 per share (diluted), for the  
24 year ended December 31, 2007. There were 44.3 million weighted average shares  
used in the computation of diluted earnings per share in the year ended December  
25 31, 2008 and 38.9 million weighted average shares in the year ended December  
31, 2007.

26 Electricity Segment revenues for the year ended December 31, 2008, were \$252.3  
27 million, an increase of 16.8% from \$216.0 million for the year ended December  
31, 2007. Products Segment revenues for the year ended December 31, 2008 were

1 \$92.6 million, an increase of 15.8% from \$80.0 million in the year ended  
2 December 31, 2007.

3 For the year ended December 31, 2008, the Company's gross margin was 29.6%,  
4 compared to 26.8% for the year ended December 31, 2007. Operating income for  
5 the year ended December 31, 2008 was \$60.6 million, compared with \$43.5  
6 million for the year ended December 31, 2007, an increase of 39.5%. The increase  
7 in operating income is primarily attributable to increased revenues in both our  
8 Electricity and Products Segments as well as increased gross margins.

9 Adjusted EBITDA for the year ended December 31, 2008, was \$124.7 million  
10 dollars, compared to \$107.2 million for the year ended December 31, 2007.  
11 Adjusted EBITDA includes consolidated EBITDA and the Company's share in  
12 the operating income and depreciation and amortization totaling \$5.4 million and  
13 \$14.6 million for the year ended December 31, 2008 and 2007, respectively,  
14 related to the Company's unconsolidated investments.

15 Commenting on the outlook for 2009, Ms. Bronicki said, "We expect our 2009  
16 Electricity Segment revenues to be between \$280 million and \$290 million. We  
17 also expect an additional \$9 million of revenues from our share of electricity  
18 revenue generated by a subsidiary, which is accounted for under the equity  
19 method. With regard to our Products Segment, we expect that our 2009 revenues  
20 will be between \$100 million and \$120 million".

21 37. On March 2, 2009, Defendants caused Ormat to file its Annual Report with the  
22 SEC on Form 10-K for the 2008 fiscal year. The Company's Form 10-K was signed by  
23 defendant Bronicki and reaffirmed the Company's financial results previously announced on  
24 February 24, 2009. The Company's Form 10-K also contained SOX Certifications, signed by  
25 defendants Bronicki and Tenne, substantially similar to the certifications contained above.  
26 Additionally, the Company's Form 10-K, in relevant part, stated:

- 27 • Property. Plant and Equipment. All costs associated with the acquisition,  
28 development and construction of power plant facilities are capitalized. Major  
improvements are capitalized and repairs and maintenance (including major  
maintenance) costs are expensed. We estimate the useful life of our power  
plants to range between 25 and 30 years. Such estimates are made by  
management based on factors such as prior operations, the terms of the  
underlying power purchase agreements, geothermal resources, the location of  
the assets and specific project characteristics and designs. Changes in such  
estimates could result in useful lives which are either longer or shorter than  
the depreciable lives of such assets. We periodically re-evaluate the estimated  
useful life of our power plants and revise the remaining depreciable life on a  
prospective basis.

We capitalize costs incurred in connection with the exploration and  
development of geothermal resources on an "area-of-interest" basis. All such  
costs, which include dry hole costs and the cost of drilling and equipping



production wells and other directly attributable costs, are capitalized and amortized over their estimated useful lives when production commences. Although we do not commence exploration activities until feasibility studies have determined that the project is capable of commercial production, it is possible that economically recoverable reserves will not be found in an "area of interest" and exploration activities will be abandoned. In this case, capitalized exploration costs would be expensed.

\* \* \*

#### Exploration and drilling costs

The Company capitalizes costs incurred in connection with the exploration and development of geothermal resources on an "area-of-interest" basis. All such costs, which include dry hole costs and the cost of drilling and equipping production wells and other directly attributable costs, are capitalized and amortized over their estimated useful lives when production commences. Exploration and drilling costs related to uncompleted projects are included as construction-in-process in the consolidated balance sheets and totaled \$52,345,000 and \$16,677,000 at December 31, 2008 and 2007, respectively.

38. On May 11, 2009, Defendants caused Ormat to issue a press release entitled, "Ormat Technologies, Inc. Reports Record First Quarter 2009 Results." Therein, Defendants, in relevant part, stated:

Q1 net income increased 45.2% to \$14.5 million;  
Q1 total revenues increased 44.0% to \$99.9 million with record Products Segment revenues of \$37.3 million.

RENO, Nevada, May 11, 2009 -Ormat Technologies, Inc. (NYSE: ORA) today announced financial results for the first quarter 2009.

For the three month period ended March 31, 2009, total revenues were \$99.9 million, an increase of 44.0% from \$69.4 million in the first quarter of 2008, consisting of a \$3.1 million increase in revenues from the Electricity Segment, and a \$27.4 million increase in revenues from the Products Segment.

For the quarter, the Company reported net income of \$14.5 million or \$0.32 per share (basic and diluted), as compared to net income of \$10.0 million, or \$0.24 per share (basic and diluted), for the same period a year ago. The increase in net income is primarily attributable to an increase in sales within the Products Segment primarily derived from EPC contracts for the construction of two large geothermal projects and additional energy generated year-over-year in our Electricity Segment.

Commenting on the quarter's results, Dita Bronicki, Chief Executive Officer of Ormat, stated: "Growth continued during the quarter with improvements in both our revenues and net income. Revenue from our Products Segment accounted for a significant portion of this quarter's growth. Revenues from our Products

1 Segment are expected to continue to grow throughout the year with an expected  
2 increase of 20% to 30% compared to last year. An increase in generation in our  
3 Electricity Segment compared to last year also contributed to our record results  
4 but its impact was not fully reflected, primarily because of lower energy rates at  
5 our Puna facility, the only facility which is sensitive to oil prices. While North  
6 Brawley has not yet reached commercial operation, the 35 MW expansion of our  
7 Olkaria III power plant in Kenya, is operating as planned."

8 "In March 2009, we received the first \$90.0 million out of a \$105 million project  
9 financing loan for the Olkaria III power plants. This additional capital, when  
10 combined with operating cash flow and \$241.1 million of unutilized secured lines  
11 of credit with banks, will fund our growth plans that are expected to add 72 MW  
12 to 84 MW over the next two years, and to include approximately \$30 million for  
13 exploration in 2009 alone, to support projects beyond 2010."

14 Electricity revenues for the first quarter of 2009 were \$62.6 million, an increase  
15 of 5.2% as compared to \$59.5 million in the first quarter of 2008. The increase in  
16 electricity revenues is primarily attributable to a net increase in the U.S. and  
17 international generation to 889,693 MWh for the quarter, up from 732,266 MWh  
18 in the same period of 2008, an increase of 21.5%. Revenues, however, increased  
19 at a lower percentage due to the decline in the energy rate in Puna and the  
20 expiration of the "adder" payment in Heber 1.

21 Revenues from the Products Segment for the three-month period ended March 31,  
22 2009 were \$37.3 million, compared to \$9.9 million in 2008. The increase in the  
23 Products Segment revenues was primarily derived from EPC contracts for the  
24 construction of two large geothermal projects.

25 Adjusted EBITDA for the first quarter of 2009 was \$35.9 million, as compared to  
26 \$27.5 million in the same quarter last year. Adjusted EBITDA includes operating  
27 income and depreciation and amortization totaling \$1.5 million for each of the  
28 quarters ended March 31, 2009 and 2008 related to the Company's unconsolidated  
investment interest of 50% in the Mammoth complex in California. The  
reconciliation of GAAP net income to Adjusted EBITDA is set forth below in this  
release.

Cash and cash equivalents as of March 31, 2009 increased to \$42.7 million from  
\$34.4 million as of December 31, 2008. In addition, we have unutilized  
committed bank lines of credits aggregating \$241.1 million.

On May 8, 2009, Ormat's Board of Directors approved the payment of a quarterly  
cash dividend of \$0.06 per share pursuant to the Company's dividend policy,  
which targets an annual payout ratio of at least 20% of the Company's net  
income. The dividend will be paid on May 27, 2009 to shareholders of record as  
of the close of business on May 20, 2009. The Company expects to pay a  
dividend of \$0.06 per share in the next two quarters.

Commenting on the outlook for 2009, Ms. Bronicki said, "With regard to our  
Electricity Segment, due to the delays in the commercial operation of North  
Brawley we expect electricity revenues for 2009 to be between \$265 million and  
\$275 million.

We also expect additional revenues of approximately \$9 million from our share of  
electricity revenues generated by the Mammoth complex, the investment in which

1 is accounted for under the equity method. With respect to our Products Segment,  
2 we currently expect that our 2009 revenue will be between \$110 million and \$120  
3 million."

4 Ms. Bronicki concluded, "These excellent results reflect the strong fundamentals  
5 of our development and enhancement activities as well as customer support for  
6 our proven technology. Our already strong capital base positions us well for the  
7 future as we continue to invest in our growth."

8 39. On May 11, 2009, Defendants caused Ormat to file its Quarterly Report with the  
9 SEC on Form 10-Q for the 2009 fiscal first quarter. The Company's Form 10-Q was signed by  
10 defendant Tenne and reaffirmed the Company's financial results announced that day. The  
11 Company's Form 10-Q also contained SOX Certifications, signed by defendants Bronicki and  
12 Tenne, substantially similar to the certifications contained above.

13 40. On August 5, 2009, Defendants caused Ormat to issue a press release entitled,  
14 "Ormat Technologies, Inc. Reports Second Quarter 2009 Results." Therein, Defendants, in  
15 relevant part, stated:

16 Q2 net income increased 32.3% to \$16.0 million;  
17 Q2 revenues increased 24.9% to \$100.2 million;

18 RENO, Nevada, August 5, 2009 - Ormat Technologies, Inc. (NYSE: ORA) today  
19 announced record financial results for the second quarter of 2009.

## 20 **Second Quarter Results**

21 Total revenues for the second quarter were \$100.2 million, compared to \$80.2  
22 million for the second quarter of 2008, an increase of 24.9%, which consisted of a  
23 115.1% increase in revenues from the Product Segment, and a decline of 2.0% in  
24 revenue in the Electricity Segment.

25 For the quarter, the Company reported net income of \$16.0 million, or \$0.35 per  
26 share (basic and diluted), compared to net income of \$12.1 million, or \$0.28 per  
27 share (basic and diluted), for the second quarter of 2008. The increase in net  
28 income is primarily attributable to our Product Segment and some foreign  
currency translation gains.

Commenting on the quarter's results, Dita Bronicki, Chief Executive Officer of  
Ormat, stated: "We are pleased with the growth of our business and the record  
revenues of \$100.2 million in this quarter. Total generation for the quarter was  
strong, up 14% from the 2008 quarter. We produced 811,000 megawatt hours and  
1,701,000 megawatt hours for the quarter and first six months, respectively, up  
from 712,000 megawatt hours and 1,444,000 megawatt hours, respectively, last  
year.



1 Notwithstanding the strong growth in generation, total revenues in the Electricity  
2 Segment declined slightly due to the expected reduction in Puna revenues  
3 resulting from lower oil prices and the ongoing construction at Puna. Our Product  
4 Segment delivered another solid quarter which more than offset the reduction in the  
5 Electricity Segment."

6 "During the quarter, we continued to make selective investments in land  
7 acquisition, which is fundamental to building a sustainable growth company with  
8 profitable results. Our strategy is to continue to invest in high potential land. Our  
9 growth initiatives continue moving forward, with new exploration occurring at  
10 several sites within the United States." Ms. Bronicki continued.

11 Electricity revenues for the three-month period ended June 30, 2009 were \$60.6  
12 million compared to \$61.8 million in the year ago period, a decrease of 2.0%. The  
13 decrease in electricity revenues is primarily attributable to lower energy rates at  
14 Puna, due to lower oil prices and to the expiration of the "adder", an additional  
15 energy rate paid to us under the Heber 2 power purchase agreement.

16 Revenues from the Product Segment totaled \$39.7 million for the quarter,  
17 compared to \$18.4 million in 2008.

18 Adjusted EBITDA for the second quarter of 2009 was \$32.3 million, compared to  
19 \$29.2 million in the same quarter last year. Adjusted EBITDA includes operating  
20 income and depreciation and amortization totaling \$1.2 million and \$1.3 million  
21 for the quarters ended June 30, 2009 and 2008, respectively, related to the  
22 Company's unconsolidated investment interest of 50% in the Mammoth Project in  
23 California. The reconciliation of GAAP net income to Adjusted EBITDA is set  
24 forth below in this release. Cash and cash equivalents as of June 30, 2009  
25 increased to \$46.0 million from \$34.4 million as of December 31, 2008.

26 On August 5, 2009, Ormat's Board of Directors approved the payment of a  
27 quarterly cash dividend of \$0.06 per share pursuant to the Company's dividend  
28 policy, which targets an annual payout ratio of at least 20% of the Company's net  
income, subject to Board approval. The dividend will be paid on August 27, 2009  
to shareholders of record as of the close of business on August 18, 2009. The  
Company expects to pay a dividend of \$0.06 per share in the next quarter as well.

Commenting on the outlook for 2009, Ms. Bronicki said, "Following our second  
quarter earnings results, we are increasing our guidance for 2009. We expect our  
total revenues to increase to between \$352 million and \$400 million. With the  
delay in the commercial operation of North Brawley, we expect our 2009  
Electricity Segment revenues to be between \$252 million and \$260 million. We  
also expect additional revenues of approximately \$9 million from our share of  
electricity revenues generated by Mammoth that is accounted for under the equity  
method. With regard to our Product Segment, we are increasing our guidance for  
2009 revenues and expect them to now be between \$130 million and \$140  
million."

Ms. Bronicki concluded, "This has been another good quarter for Ormat. During the  
quarter and subsequently, we were able to raise additional project financing and  
corporate loans of over \$50 million to fund our growth. In addition, the recently  
announced regulations for the ITC cash grant and the expected regulations for the

U.S. Department of Energy loan guaranty reflect a further increase in governmental support for the renewable energy industry, and Ormat is well positioned to take advantage of it."

### Six-Month Results

For the six-month period ended June 30, 2009, total revenues were \$200.1 million, an increase of 33.8% from \$149.6 million in the same period last year. Net income for the period was \$30.5 million, an increase of 38.1% from \$22.1 million in the same period last year. Earnings per share (diluted) for the first half of 2009 was \$0.67, compared to \$0.52 in the first half of 2008.

Electricity Segment revenues for the six-month period ended June 30, 2009 were \$123.2 million, compared to \$121.3 million in the same period a year ago. Product Segment revenues for the first half of 2009 were \$76.9 million, compared to \$28.3 million in the same period in 2008.

Adjusted EBITDA for the six-month period was \$68.2 million, compared to \$56.7 million in the same period a year ago. Adjusted EBITDA includes consolidated EBITDA and the Company's share in the operating income and depreciation and amortization totaling \$2.7 million and \$2.8 million for the six months ended June 30, 2009 and 2008, respectively, related to the Company's unconsolidated investment interest of 50% in the Mammoth project in California. The reconciliation of GAAP net income to Adjusted EBITDA is set forth below in this release.

41. On August 6, 2009, Defendants caused Ormat to file its Quarterly Report with the SEC on Form 10-Q for the 2009 fiscal second quarter. The Company's Form 10-Q was signed by defendant Tenne and reaffirmed the Company's financial results previously announced on August 5, 2009. The Company's Form 10-Q also contained SOX Certifications, signed by defendants Dita Bronicki and Tenne, substantially similar to the certifications contained above.

42. On November 4, 2009, Defendants caused Ormat to issue a press release entitled, "Technologies, Inc. Reports Third Quarter 2009 Results." Therein, Defendants, in relevant part, stated:

Q3 Net Income increased 48% to \$23.4 million  
Q3 Revenue increased 20% to \$119.8 million

RENO, Nevada, November 4, 2009 - Ormat Technologies, Inc. (NYSE: ORA) today announced financial results for the third quarter of 2009.

### Third Quarter Results

For the three-month period ended September 30, 2009, total revenues were \$119.8 million, an increase of 20.2% from \$99.7 million in the third quarter of 2008,

1 consisting of a 65.5% increase in Product Segment revenues and flat Electricity  
2 Segment revenues.

3 For the quarter, the Company reported net income of \$23.4 million, or \$0.52 per  
4 share of common stock (basic and diluted), compared to \$15.8 million, or \$0.35  
5 per share of common stock (basic and diluted), for the same period a year ago,  
6 which represents an increase of 48.1%. The increase in net income is primarily  
7 attributable to our Product Segment.

8 Commenting on the quarter's results, Dita Bronicki, Chief Executive Officer of  
9 Ormat, stated: "As in previous quarters of this year, we continued to benefit from  
10 the significant increase in revenue from our Product Segment resulting from the  
11 record backlog that we had at the beginning of 2009. We expect revenue from this  
12 segment to return to previous levels in 2010 with a corresponding reduction in  
13 margins.

14 Generation in our Electricity Segment continued to grow. Year-after-year our  
15 total U.S. and international generation for the quarter was up 19% to about  
16 799,000 MWh.

17 We continued to add land to our exploration portfolio and secured new lease  
18 agreements covering approximately 2,300 acres in California and Nevada."

19 Electricity revenues for the third quarter of 2009 were \$68.7 million, consistent  
20 with the third quarter of 2008. Revenues in our electricity segment this quarter  
21 were impacted by a decline in the average revenue rate from \$103 to \$86 per  
22 MWh due to the effect of lower oil prices on the Puna power plant's energy rates.

23 Revenues from the Product Segment for the three-month period ended September  
24 30, 2009 were \$51.1 million, compared to \$30.9 million in the same quarter in  
25 2008, an increase of 65.5%. The increase in product sales was primarily  
26 attributable to EPC contracts for the construction of three large binary geothermal  
27 projects in Nevada, New Zealand and Costa Rica.

28 Adjusted EBITDA in the third quarter of 2009 increased 30.8% to \$50.3 million  
compared to \$38.5 million in the same quarter last year. Adjusted EBITDA  
includes consolidated EBITDA and the Company's share in the interest, taxes,  
depreciation and amortization related to the Company's unconsolidated 50%  
interest in the Mammoth complex in California. As further described in  
"Reconciliation of EBITDA and Adjusted EBITDA and Additional Cash Flows  
Information" below, we changed the method for calculating EBITDA and  
adjusted EBITDA beginning in the third quarter of 2009.

Cash and cash equivalents as of September 30, 2009 decreased to \$20.3 million  
from \$34.4 million as of December 31, 2008. In addition, as of November 4,  
2009, we have available unused bank lines of credit and other borrowing capacity  
aggregating \$412.5 million of which \$218.7 million is unused.

On November 4, 2009, Ormat's Board of Directors approved the payment of a  
quarterly cash dividend of \$0.06 per share pursuant to the Company's dividend  
policy, which targets an annual payout ratio of at least 20% of the Company's net  
income, subject to Board approval. The dividend will be paid on December 1,  
2009 to shareholders of record as of the close of business on November 18, 2009.

1       Commenting on the outlook for 2009, Ms. Bronicki said, "With regard to our  
2       Electricity Segment, following our third quarter earnings results, we are  
3       narrowing the range as we currently expect electricity segment revenues for 2009  
4       to be between \$254 and \$258 million. We also expect an additional \$9 million of  
5       revenue from our share of electricity revenue generated by a subsidiary, which is  
6       accounted for under the equity method. Given our Product Segment results for the  
7       third quarter, we are increasing our guidance and expect revenues in this segment  
8       to be approximately \$150 million."

9       Ms. Bronicki concluded, "It has been a productive quarter and year thus far for  
10       Ormat. We have weathered the economic uncertainty with sound results and  
11       substantial liquidity, and we are encouraged by our position over the long term.  
12       Our priority going forward remains on investing for the long-term, moving  
13       forward with our exploration activities and continuing to add the land and funding  
14       necessary to continue to our growth."

### 15       **Nine-Month Results**

16       For the nine-month period ended September 30, 2009, total revenues increased  
17       28.3% to \$320.0 million, compared to \$249.3 million for the nine months ended  
18       September 30, 2008. Net income for the period was \$53.9 million, or \$1.19 per  
19       share of common stock (basic and diluted), compared to \$37.9 million, or \$0.87  
20       per share of common stock (basic and diluted) for the same period last year,  
21       which represents an increase of 42.3% in net income.

22       Revenues attributable to our Electricity Segment for the nine months ended  
23       September 30, 2009 were \$191.9 million, consistent with the same period last  
24       year.

25       Product Segment revenues for the nine months ended September 30, 2009 were  
26       \$128.0 million, an increase of 116.3%, compared to \$59.2 million for the nine  
27       months ended September 30, 2008.

28       Adjusted EBITDA for the nine month period ended September 30, 2008 increased  
29       25.2% to \$127.5 million compared to \$101.8 million in same period last year.  
30       Adjusted EBITDA includes consolidated EBITDA and the Company's share in  
31       the interest, taxes, depreciation and amortization related to the Company's  
32       unconsolidated 50% interest in the Mammoth complex in California. As further  
33       described in "Reconciliation of EBITDA and Adjusted EBITDA and Additional  
34       Cash Flows Information" below, we changed the method for calculating EBITDA  
35       and adjusted EBITDA beginning in the third quarter of 2009.

43.       On November 4, 2009, Defendants caused Ormat to file its Quarterly Report with  
the SEC on Form 10-Q for the 2009 fiscal third quarter. The Company's Form 10-Q was signed  
by defendant Tenne and reaffirmed the Company's financial results announced that day. The  
Company's Form 10-Q also contained SOX Certifications, signed by defendants Dita Bronicki  
and Tenne, substantially similar to the certifications contained above.



44. The statements contained above, were materially false and/or misleading when made because Defendants failed to disclose or indicate the following: (1) that Defendants were improperly continuing to capitalize costs for individual projects after Ormat had decided to abandon further exploration and development of individual projects instead of expensing those costs in the period in which any such determination was made; (2) that, as a result, the Company's financial results were overstated during the Relevant Period; (3) that the Company's financial results were not prepared in accordance with GAAP; (4) that the Company lacked adequate internal and financial controls; and (5) that, as a result of the above, the Company's financial statements were materially false and misleading at all relevant times.

### **The Truth Begins to Emerge**

45. On February 24, 2010, Defendants caused Ormat to issue a press release entitled, "ORMAT TECHNOLOGIES REPORTS RECORD 2009 YEAR END AND FOURTH QUARTER RESULTS." Therein, Defendants, in relevant part, stated:

#### **2008 Restatement**

Through the third quarter of 2009, we accounted for exploration and development costs using an accounting method that is analogous to the full cost method used in the oil and gas industry. Under that method, we capitalized costs incurred in connection with the exploration and development of geothermal resources on an "area-of-interest" basis. Each area of interest included a number of potential projects in the state of Nevada that were planned to be operated together with the same operation and maintenance team. Impairment tests were performed on an area-of-interest basis rather than at a single site. Under this methodology, costs associated with projects that we have determined are not economically feasible remained capitalized as long as the area-of-interest was not subject to impairment.

Following a periodic review performed by the Securities and Exchange Commission ("SEC") Staff, we concluded that this accounting treatment was inappropriate in certain respects. Accordingly, on February 23, 2010, our Audit Committee and Board of Directors, based on management recommendations, concluded that our financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2008 require restatement and should no longer be relied upon.

The impact of the restatement is a decrease of approximately \$6.2 million in net income (or \$0.14 per share) during the year end and the fourth quarter ended December 31, 2008. This decrease represents a reduction of 12.6% from our

originally reported net income of \$49.5 million in 2008 and a reduction of 53.6% from our originally reported net income of \$11.6 million in the fourth quarter of 2008. The Company is filing a Report on Form 8-K and intends to effect the above mentioned restatement in its annual report on Form 10-K for the year ended December 31, 2009. The Company also plans to revise its financial statements as of and for the three and nine months ended September 30, 2009 to reduce net income by approximately \$1.5 million (or \$0.03 per share). In connection with the filing of its Annual Report on Form 10-K for the year ended December 31, 2009, the Company will revise the third quarter unaudited financial information included in the notes to the financial statements to reflect the expensing of such costs in that interim period.

46. On February 24, 2010, Defendants caused Ormat to file a Current Report with the SEC on Form 8-K. Therein, Defendants, in relevant part, stated:

Item 4.02(a). Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review

On February 23, 2010, the Board of Directors and Audit Committee of the Company, upon recommendation of management, concluded that the Company's financial statements for the year ended December 31, 2008 (the "2008 Financial Statements") contained in its Annual Report on Form 10-K for the year then ended require restatement and should no longer be relied upon. In addition, the Company's prior related earnings and news releases and similar communications should no longer be relied on to the extent they related to the 2008 Financial Statements.

The Company plans to include the restatement of the 2008 Financial Statements in its Annual Report on Form 10-K for the year ended December 31, 2009. The restatement will show a change in the Company's accounting treatment for certain exploration and development costs. These costs were capitalized on an area-of-interest basis as described in Note I of the 2008 Financial Statements using an accounting method that is analogous to the full cost method. In reviewing this accounting treatment in response to comment letters from the Staff of the Securities and Exchange Commission ("SEC") as part of its periodic review of the reports the Company files with the SEC, the Company concluded that this accounting treatment was inappropriate in certain respects. As a result, the Company will no longer continue to capitalize these costs for any individual project after it decides to abandon further exploration and development of that project, and will instead expense those costs in the period in which any such determination is made. The 2008 Financial Statements will be restated to write-off unsuccessful exploration and development costs for sites where we determined not to pursue further development during 2008.

The effect of this restatement on the 2008 Financial Statements is as follows:

(U.S. dollars in millions)

Consolidated balance sheet as of December 31, 2008:

Decrease in construction-in-process	\$9.8
Decrease in deferred tax liability	3.6
Decrease in equity	6.2

Consolidated statement of operations and comprehensive income for the year ended December 31, 2008:

Decrease in net income	6.2
Decrease in comprehensive income	6.2

The Company also plans to revise its consolidated financial statements as of and for the three and nine months ended September 30, 2009 to reduce net income by approximately \$1.5 million to expense previously capitalized exploration and development costs related to a project for which the Company determined it would abandon further exploration and development during the third quarter of 2009. In connection with the filing of its Annual Report on Form 10-K for the year ended December 31, 2009, the Company will revise the third quarter unaudited financial information included in the notes to the financial statements included therein to reflect the expensing of such costs in that interim period. The Company's management, Audit Committee and Board of Directors have discussed the matters disclosed in this Item 4.02(a) filing on Form 8-K with the Company's independent registered public accounting firm, PricewaterhouseCoopers LLP.

47. On this news, shares of Ormat declined \$1.28 per share, nearly 4%, to close on February 24, 2010, at \$31.90 per share, on heavy volume, and further declined an additional \$0.89 per share, nearly 3%, to close on February 25, 2010, at \$31.01 per share, on heavy volume, and continued to decline an additional \$2.08 per share, more than 6.5%, to close on February 26, 2010, at \$28.93 per share, on heavy volume. Over the course of these three days of trading, shares of Ormat declined a total of \$4.25 per share, or 12.81%. As of March 25, 2010, the price of the Company's stock still had not recovered and closed at \$27.80 per share, which represents an aggregate decline of over 16%.

#### DERIVATIVE AND DEMAND ALLEGATIONS

48. Plaintiff brings this action derivatively in the right and for the benefit of Ormat to redress the breaches of fiduciary duty and other violations of law by Defendants.

49. Plaintiff will adequately and fairly represent the interests of Ormat and its shareholders in enforcing and prosecuting its rights.

50. The Board currently consists of the following seven (7) individuals: defendants Dita Bronicki, Y. Bronicki, L. Bronicki, Falk, Worenklein, Gale, and Clarke. Plaintiff has not



1 made any demand on the present Board to institute this action because such a demand would be a  
2 futile, wasteful and useless act, for the following reasons:

- 3 a. Due to their close familial relationships with each other, defendants Dita  
4 Bronicky, L. Bronicky, and Y. Bronicky are incapable of disinterestedly and  
5 independently considering a demand to commence and vigorously prosecute this  
6 action against each other. In particular, defendants Dita Bronicky and L.  
7 Bronicky are married and defendant Y. Bronicky is their son. Thus, defendants  
8 Dita Bronicky, L. Bronicky, and Y. Bronicky lack independence;
- 9 b. During the Relevant Period, defendants Falk, Gale, and Worenklein served as  
10 members of the Audit Committee. Pursuant to the Company's Audit Committee  
11 Charter, members of the Audit Committee are responsible for, *inter alia*,  
12 overseeing the Company's internal controls and reviewing the integrity of the  
13 Company's financial statements and earnings press releases. Defendants Falk,  
14 Gale, and Worenklein breached their fiduciary duties of due care, loyalty, and  
15 good faith, because the Audit Committee, *inter alia*, allowed or permitted false  
16 and misleading statements to be disseminated in the Company's SEC filings and  
17 other disclosures and failed to ensure that adequate internal controls were in  
18 place. Therefore, defendants Falk, Gale, and Worenklein face a substantial  
19 likelihood of liability for their breach of fiduciary duties and any demand upon  
20 them is futile;
- 21 c. The principal professional occupation of defendant Dita Bronicky is her  
22 employment with Ormat as its CEO, pursuant to which she has received and  
23 continues to receive substantial monetary compensation and other benefits. Thus,  
24 defendant Dita Bronicky lacks independence, rendering her incapable of  
25 impartially considering a demand to commence and vigorously prosecute this  
26 action;
- 27 d. The principal professional occupation of defendant L. Bronicky is his  
28 employment with Ormat as its CTO, pursuant to which he has received and  
continues to receive substantial monetary compensation and other benefits. Thus,  
defendant L. Bronicky lacks independence, rendering him incapable of  
impartially considering a demand to commence and vigorously prosecute this  
action; and
- e. The principal professional occupation of defendant Y. Bronicky is his  
employment with Ormat as its President, pursuant to which he has received and  
continues to receive substantial monetary compensation and other benefits. Thus,  
defendant Y. Bronicky lacks independence, rendering him incapable of  
impartially considering a demand to commence and vigorously prosecute this  
action.

**COUNT I**  
**AGAINST ALL DEFENDANTS FOR BREACH OF FIDUCIARY DUTY FOR**

**DISSEMINATING FALSE AND MISLEADING INFORMATION**

51. Plaintiff incorporates by reference and realleges each and every allegation set forth above, as though fully set forth herein.

52. As alleged in detail herein, each of the Defendants (and particularly the Audit Committee Defendants) had a duty to ensure that Ormat disseminated accurate, truthful and complete information to its shareholders.

53. Defendants violated their fiduciary duties of care, loyalty, and good faith by causing or allowing the Company to disseminate to Ormat shareholders materially misleading and inaccurate information through, *inter alia*, SEC filings and other public statements and disclosures as detailed herein. These actions could not have been a good faith exercise of prudent business judgment.

54. As a direct and proximate result of Defendants' foregoing breaches of fiduciary duties, the Company has suffered significant damages, as alleged herein.

**COUNT II  
AGAINST ALL DEFENDANTS FOR BREACH OF FIDUCIARY  
DUTIES FOR FAILING TO MAINTAIN INTERNAL CONTROLS**

55. Plaintiff incorporates by reference all preceding and subsequent paragraphs as if fully set forth herein.

56. As alleged herein, each of the Defendants had a fiduciary duty to, among other things, exercise good faith to ensure that the Company's financial statements were prepared in accordance with GAAP, and, when put on notice of problems with the Company's business practices and operations, exercise good faith in taking appropriate action to correct the misconduct and prevent its recurrence.

57. Defendants willfully ignored the obvious and pervasive problems with Ormat's internal controls practices and procedures and failed to make a good faith effort to correct the

1 problems or prevent their recurrence.

2 58. As a direct and proximate result of the Defendants' foregoing breaches of  
3 fiduciary duties, the Company has sustained damages.  
4

5 **COUNT III**  
6 **AGAINST ALL DEFENDANTS FOR BREACH OF FIDUCIARY DUTIES FOR**  
7 **FAILING TO PROPERLY OVERSEE AND MANAGE THE COMPANY**

8 59. Plaintiff incorporates by reference and realleges each and every allegation  
9 contained above, as though fully set forth herein.

10 60. Defendants owed and owe Ormat fiduciary obligations. By reason of their  
11 fiduciary relationships, Defendants specifically owed and owe Ormat the highest obligation of  
12 good faith, fair dealing, loyalty and due care.

13 61. Defendants, and each of them, violated and breached their fiduciary duties of  
14 care, loyalty, reasonable inquiry, oversight, good faith and supervision.  
15

16 62. As a direct and proximate result of Defendants' failure to perform their fiduciary  
17 obligations, Ormat has sustained significant damages, not only monetarily, but also to its  
18 corporate image and goodwill.

19 63. As a result of the misconduct alleged herein, Defendants are liable to the  
20 Company.  
21

22 64. Plaintiff, on behalf of Ormat, has no adequate remedy at law.

23 **COUNT IV**  
24 **AGAINST ALL DEFENDANTS FOR UNJUST ENRICHMENT**

25 65. Plaintiff incorporates by reference and realleges each and every allegation set  
26 forth above, as though fully set forth herein.

27 66. By their wrongful acts and omissions, the Defendants were unjustly enriched at  
28

1 the expense of and to the detriment of Ormat.

2 67. Plaintiff, as a shareholder and representative of Ormat, seeks restitution from  
3 these Defendants, and each of them, and seeks an order of this Court disgorging all profits,  
4 benefits and other compensation obtained by these Defendants, and each of them, from their  
5 wrongful conduct and fiduciary breaches.

6  
7 **COUNT V**  
**AGAINST ALL DEFENDANTS FOR ABUSE OF CONTROL**

8 68. Plaintiff incorporates by reference and realleges each and every allegation  
9 contained above, as though fully set forth herein.

10 69. Defendants' misconduct alleged herein constituted an abuse of their ability to  
11 control and influence Ormat, for which they are legally responsible. In particular, Defendants  
12 abused their positions of authority by causing or allowing Ormat to misrepresent material facts  
13 regarding its financial position and business prospects.

14 70. As a direct and proximate result of Defendants' abuse of control, Ormat has  
15 sustained significant damages.

16 71. As a result of the misconduct alleged herein, Defendants are liable to the  
17 Company.

18 72. Plaintiff, on behalf of Ormat, has no adequate remedy at law.

19  
20 **COUNT VI**  
**AGAINST ALL DEFENDANTS FOR GROSS MISMANAGEMENT**

21 73. Plaintiff incorporates by reference and realleges each and every allegation set  
22 forth above, as though fully set forth herein.

23 74. Defendants had a duty to Ormat and its shareholders to prudently supervise,  
24 manage and control the operations, business and internal financial accounting and disclosure  
25 controls of Ormat.  
26  
27  
28

75. Defendants, by their actions and by engaging in the wrongdoing described herein, abandoned and abdicated their responsibilities and duties with regard to prudently managing the businesses of Ormat in a manner consistent with the duties imposed upon them by law. By committing the misconduct alleged herein, Defendants breached their duties of due care, diligence and candor in the management and administration of Ormat's affairs and in the use and preservation of Ormat's assets.

76. During the course of the discharge of their duties, Defendants knew or recklessly disregarded the unreasonable risks and losses associated with their misconduct, yet Defendants caused Ormat to engage in the scheme complained of herein which they knew had an unreasonable risk of damage to Ormat, thus breaching their duties to the Company. As a result, Defendants grossly mismanaged Ormat.

**COUNT VII  
AGAINST ALL DEFENDANTS FOR WASTE OF CORPORATE ASSETS**

77. Plaintiff incorporates by reference and realleges each and every allegation contained above, as though fully set forth herein.

78. As a result of the misconduct described above, and by failing to properly consider the interests of the Company and its public shareholders, Defendants have caused Ormat to incur (and Ormat may continue to incur) significant legal liability and/or legal costs to defend itself as a result of Defendants' unlawful actions.

79. As a result of this waste of corporate assets, Defendants are liable to the Company.

80. Plaintiff, on behalf of Ormat, has no adequate remedy at law.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff demands judgment as follows:

1           A.     Against all Defendants and in favor of the Company for the amount of damages  
2 sustained by the Company as a result of Defendants' breaches of fiduciary duties;

3           B.     Directing Ormat to take all necessary actions to reform and improve its corporate  
4 governance and internal procedures to comply with applicable laws and to protect the Company  
5 and its shareholders from a repeat of the damaging events described herein, including, but not  
6 limited to, putting forward for shareholder vote resolutions for amendments to the Company's  
7 By-Laws or Articles of Incorporation and taking such other action as may be necessary to place  
8 before shareholders for a vote a proposal to strengthen the Board's supervision of operations and  
9 develop and implement procedures for greater shareholder input into the policies and guidelines  
10 of the Board  
11

12           C.     Awarding to Ormat restitution from Defendants, and each of them, and ordering  
13 disgorgement of all profits, benefits and other compensation obtained by the Defendants;

14           D.     Awarding to Plaintiff the costs and disbursements of the action, including  
15 reasonable attorneys' fees, accountants' and experts' fees, costs, and expenses; and  
16

17           E.     Granting such other and further relief as the Court deems just and proper.

18                               **JURY DEMAND**

19           Plaintiff demands a trial by jury.

20           DATED: March 29, 2010.

21                               **WHITEHEAD & WHITEHEAD**  
22                               JONATHAN J. WHITEHEAD  
23                               150 W. Huffaker Lane, Suite 101  
24                               Reno, Nevada 89511  
25                               Telephone: (775) 823-7700  
26                               Facsimile: (775) 823-7709

27                               By: /s/ Jonathan J. Whitehead  
28                               JONATHAN J. WHITEHEAD

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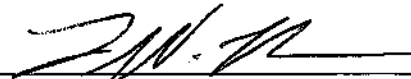
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**ORMAT TECHNOLOGIES, INC. VERIFICATION**

I, Travis Branam, hereby verify that I am familiar with the allegations in the Complaint, and that I have authorized the filing of the Complaint, and that the foregoing is true and correct to the best of my knowledge, information and belief.

DATE: 3/20/10

  
SIGNATURE